

AMENDED IN ASSEMBLY MAY 4, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1405

Introduced by Assembly Member Grove

February 27, 2015

An act to add Section 14670.09 to the Government Code, to add Section 4474.9 to the Welfare and Institutions Code, and to amend the Budget Act of 2014 (Chapter 25 of the Statutes of 2014) by amending Items 4300-003-0001 and 4300-101-0001 of Section 2.00 of that act, relating to developmental services, ~~and making an appropriation therefor. therefor, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1405, as amended, Grove. Developmental centers: closure.

Existing law vests in the State Department of Developmental Services jurisdiction over state hospitals referred to as developmental centers for the provision of residential care to individuals with developmental disabilities. Existing law requires the State Department of Developmental Services to comply with procedural requirements when closing a developmental center, including submitting a detailed plan to the Legislature and holding at least one public hearing. Under existing law, the department allocates funds to private nonprofit entities known as regional centers, which are required to provide, or arrange for the provision of, services and supports for persons with developmental disabilities.

This bill would require the department to close the Fairview Developmental Center and the Sonoma Developmental Center on or before an unspecified date. The bill would create a ~~taskforce~~ *task force* to determine the use of the properties and *develop* a plan for

benefiting individuals with developmental disabilities in community-based programs and settings, and would require the task force to consist of 15 members, as ~~specified~~ *specified*.

Existing law requires the Director of General Services to lease specified property located at the Sonoma Developmental Center only for an agricultural or open-space purpose consistent with specified requirements.

The bill would additionally require the ~~director to~~, *director*, on or after an unspecified date, *to* lease all or part of the ~~parcel~~ *parcels* at the Sonoma Developmental Center and the Fairview Developmental Center. The bill would require an unspecified percentage of the net proceeds received by the state from the lease of these properties to go to the General Fund and the rest to be deposited in the Lanterman Act Community-Based Services Fund, created by the bill. The bill would require all moneys in the Lanterman Act Community-Based Services Fund to be continuously appropriated without regard to fiscal years to the State Department of Developmental ~~Service~~ *Services* to augment existing purchase of services funds used by regional centers to purchase services and supports for persons with developmental disabilities. By creating a continuously appropriated fund, the bill would make an appropriation.

The Budget Act of 2014 appropriates \$260,659,000 from the General Fund to the State Department of Developmental Services for the support of the department's developmental centers, and appropriates \$2,645,629,000 from the General Fund to the department for local assistance to regional centers.

This bill would amend the Budget Act of 2014 by revising items of appropriation for the State Department of Developmental Services related to developmental centers and regional centers, thereby making an appropriation. The bill would state the intent of the Legislature to transfer current funding for the operations of the Fairview Developmental Center and the Sonoma Developmental Center to fund purchase of services at regional centers.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 14670.09 is added to the Government Code, to read:

14670.09. (a) Notwithstanding any other law, the Director of General Services shall, on or after _____, lease, for current market value, all or part of the ~~parcel~~ *parcels* at the Sonoma Developmental Center, located at 15000 Arnold Drive, in Eldridge, Sonoma County and the Fairview Developmental Center, located at 2501 Harbor Boulevard, in Costa Mesa, Orange County.

(b) Notwithstanding any other law, the net proceeds received by the state from the lease of the property shall be deposited as follows:

(1) _____ percent to the General Fund.

(2) (A) _____ percent to the Lanterman Act Community-Based Services Fund, hereby created in the State Treasury. Notwithstanding Section 13340, all moneys in the fund are continuously appropriated without regard to fiscal years to the State Department of Developmental Services to augment existing purchase of services funds used by regional centers to purchase services and supports for persons with developmental disabilities (B) The moneys in the Lanterman Act Community-Based Services Fund shall be used to supplement, and not supplant, existing funds for purchase of services by regional centers.

(3) "Net proceeds" for the purposes of this subdivision means gross proceeds less all costs necessary for the completion of the transaction, including costs incurred by the Department of General Services.

SEC. 2. Section 4474.9 is added to the Welfare and Institutions Code, to read:

4474.9. (a) The department shall close the Fairview Developmental Center and the Sonoma Developmental Center on or before _____.

(b) (1) A task force is hereby established to *advise the department. The task force shall* determine the use of the properties and *develop* a plan for benefiting individuals with developmental disabilities in community-based programs and settings.

(2) The task force shall consist of 15 members as follows:

(A) Eleven members appointed by the Governor, at least three of whom shall be family members of an individual residing at a

1 state developmental center, at least three of whom shall be a
 2 director of a regional center, and at least three of whom shall be
 3 directors or chief executive officers of community-based nonprofit
 4 organizations that help individuals with developmental disabilities
 5 find ~~housing~~ housing, employment, day programs, and other
 6 services in the community.

7 (B) Two members appointed by the Speaker of the Assembly.

8 (C) Two members appointed by the President pro Tempore of
 9 the Senate.

10 SEC. 3. Item 4300-003-0001 of Section 2.00 of the Budget
 11 Act of 2014 is amended to read:

12
 13 4300-003-0001—For support of Department of Developmental
 14 Services, for Developmental Centers.....
 15 Schedule:

- | | |
|--|--------------|
| 16 (1) 20-Developmental Centers Program..... | _____ |
| 17 (2) Reimbursements..... | -250,116,000 |
| 18 (3) Amount payable from the Federal Trust | |
| 19 Fund (Item 4300-003-0890)..... | -384,000 |

20 Provisions:

- 21 1. A loan shall be available from the General Fund to the
 22 State Department of Developmental Services not to
 23 exceed a cumulative total of \$27,000,000. The loan
 24 funds will be transferred to this item as needed to meet
 25 cashflow needs due to delays in collecting reimburse-
 26 ments from the Health Care Deposit Fund and are
 27 subject to the repayment provisions of Section 16351
 28 of the Government Code.
- 29 2. Upon order of the Department of Finance, the Con-
 30 troller shall transfer such funds as are necessary be-
 31 tween this item and Item 4300-001-0001 in order to
 32 appropriately align General Fund and Medi-Cal reim-
 33 bursements from the State Department of Health Care
 34 Services with budgeted activities. Within 10 working
 35 days after approval of a transfer as authorized by this
 36 provision, the Department of Finance shall notify the
 37 chairpersons of the fiscal committees of each house
 38 of the Legislature and the Chairperson of the Joint
 39 Legislative Budget Committee of the transfer, includ-

ing the amount transferred, how the amount was determined, and how the amount will be utilized.

3. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-0001. Within 10 working days after approval of a transfer as authorized by this provision, the Department of Finance shall notify the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee of the transfer, including the amount transferred, how the amount transferred was determined, and how the amount transferred will be utilized.

4. The State Department of Developmental Services (DDS) shall notify the chairperson of each fiscal committee and policy committee of each house of the Legislature of specific outcomes resulting from citations and the results of annual surveys conducted by the State Department of Public Health, as well as findings of any other governmental agency authorized to conduct investigations or surveys of state developmental centers. The DDS shall forward the notifications, including a copy of the specific findings, to the chairpersons of the committees within 10 working days of its receipt of these findings. The DDS also shall forward these findings, within three working days of submission, to the appropriate investigating agency. In addition, the DDS shall provide notification to the chairpersons of the committees, within three working days, of its receipt of information concerning any investigation initiated by the United States Department of Justice and the private nonprofit corporation designated by the Governor pursuant to Division 4.7 (commencing with Section 4900) of the Welfare and Institutions Code or concerning any findings or recommendations resulting from any of these investigations.

SEC. 4. Item 4300-101-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

1	4300-101-0001—For local assistance, Department of Develop-	
2	mental Services, for Regional Centers.....	
3	Schedule:	
4	(1) 10.10.010-Operations.....	576,631,000
5	(2) 10.10.020-Purchase of Services.....	
6	(3) 10.10.060-Early Intervention Pro-	
7	gram.....	19,450,000
8	(4) 10.10.080-Prevention Program.....	2,003,000
9	(5) Reimbursements.....	-1,970,694,000
10	(6) Amount payable from the Developmen-	
11	tal Disabilities Program Development	
12	Fund (Item 4300-101-0172).....	-5,808,000
13	(7) Amount payable from the Developmen-	
14	tal Disabilities Services Account (Item	
15	4300-101-0496).....	-150,000
16	(8) Amount payable from the Federal Trust	
17	Fund (Item 4300-101-0890).....	-52,367,000
18	Provisions:	
19	1. Upon order of the Director of Finance, the Controller	
20	shall transfer such funds as are necessary between this	
21	item and Item 4300-003-0001. Within 10 working	
22	days after approval of a transfer as authorized by this	
23	provision, the Department of Finance shall notify the	
24	chairpersons of the fiscal committees in each house	
25	of the Legislature and the Chairperson of the Joint	
26	Legislative Budget Committee of the transfer, includ-	
27	ing the amount transferred, how the amount transferred	
28	was determined, and how the amount transferred will	
29	be utilized.	
30	2. A loan or loans shall be made available from the	
31	General Fund to the State Department of Developmen-	
32	tal Services not to exceed a cumulative total of	
33	\$395,000,000. The loan funds shall be transferred to	
34	this item as needed to meet cashflow needs due to de-	
35	lays in collecting reimbursements from the Health	
36	Care Deposit Fund. All moneys so transferred shall	
37	be repaid as soon as sufficient reimbursements have	
38	been collected to meet immediate cash needs and in	
39	installments as reimbursements accumulate if the loan	
40	is outstanding for more than one year.	

- 1 3. Notwithstanding Section 26.00, the Department of
2 Finance may authorize transfer of expenditure author-
3 ity between Schedules (1) and (2) in order to more
4 accurately reflect expenditures in the Early Interven-
5 tion Program (Part C of the Individuals with Disabili-
6 ties Education Act).
- 7 4. Notwithstanding Section 26.00, the Department of
8 Finance may authorize transfer of expenditure author-
9 ity from Schedule (4) 10.10.080-Prevention Program
10 to Schedule (2) 10.10.020-Purchase of Services to
11 more accurately reflect expenditures in the Prevention
12 and Early Start Programs.

13
14 SEC. 5. It is the intent of the Legislature to transfer current
15 funding for the operations of the Fairview Developmental Center
16 and the Sonoma Developmental Center to fund purchase of services
17 at regional centers.

18 SEC. 6. *This act is an urgency statute necessary for the*
19 *immediate preservation of the public peace, health, or safety within*
20 *the meaning of Article IV of the Constitution and shall go into*
21 *immediate effect. The facts constituting the necessity are:*

22 *In order to, at the earliest possible time, facilitate the orderly*
23 *closure of the developmental centers described in this act, it is*
24 *necessary that this act take effect immediately.*